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PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**AN ADJUSTMENT OF THE ELECTRIC) CASE NO. 2003-00434
RATES, TERMS AND CONDITIONS OF)
KENTUCKY UTILITIES COMPANY)**

**MOTION TO INTERVENE
OF
NORTH AMERICAN STAINLESS**

Pursuant to the Commission's Rules of Procedure, 807 KAR 5:001 Section 3(8), North American Stainless, L.P. ("NAS") submits this motion for full intervention in the above-captioned proceeding. In support of this motion, NAS states:

- 1) NAS operates a steel recycling and production facility in Carroll County ("Ghent Facility") that uses an electric arc furnace to melt scrap steel, which is then processed and recast into high quality stainless steel products. This is an energy intensive process, and NAS consumes millions of dollars worth of electricity per year.
- 2) NAS takes electric service from Kentucky Utilities ("KU"). Since 1990, KU has provided electric service to NAS rolling and finishing facilities at the Ghent Facility under the utility's Large Commercial/Industrial Time-of-Day ("LCI-TOD") tariff with the Curtailable Service Rider. In 2000, NAS announced an additional \$200 million investment in the Ghent Facility to add a 100 MWA electric arc furnace "melt shop," the requirements of which exceed 50,000 Kw. The melt shop is served under a special contract with KU.

- 3) On September 23, 2003, NAS filed a complaint with the Commission in Case No. 2003-00376 requesting that the Commission direct KU to provide electric service to all of the facilities at the Ghent Facility under terms equivalent to the LCI-TOD rate. On October 10, 2003, LG&E Energy Corp. filed a new proposed tariff in Case No. 2003-00396 for both Louisville Gas and Electric Company and KU. The proposed tariff aims to provide rates and terms of service for “non-conforming loads,” a term defined in the proposed tariff. In testimony accompanying the filing, KU states that NAS is the only KU customer to which the tariff would apply. *See Direct Testimony of F. Howard Bush, II* at 4. On November 14, 2003, the Commission issued an order consolidating these two proceedings into Case No. 2003-00396.
- 4) The instant proceeding is a general rate case that will affect all of KU’s rate classes and customers. This proceeding will have a direct impact on the price and availability of electricity to the electric arc furnace, rolling and other NAS facilities in Ghent. NAS, therefore, has a special and direct interest in the outcome of this proceeding which is not otherwise adequately represented by any party. Accordingly, the Commission should grant NAS’ request for full intervention, and make NAS a party to this proceeding for all purposes.
- 5) All correspondence in this proceeding should be sent to:

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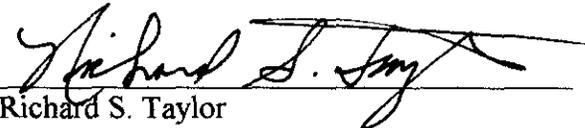
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Nathaniel K. Addams
General Counsel
North American Stainless
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Wherefore, NAS requests that the Commission grant its motion to intervene in this proceeding and make it a party thereto for all purposes.

Respectfully submitted,

This 9th day of January, 2004

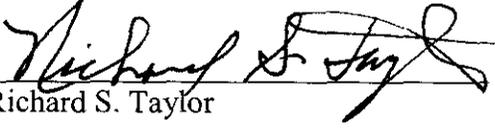

Richard S. Taylor

CERTIFICATE OF SERVICE

I hereby certify that the original and 10 copies of this North American Stainless Motion to Intervene has been filed with the Kentucky Public Service Commission and a true and correct copy of the foregoing was served by U.S. first-class mail to the following persons indicated below this 9th day of January, 2004.

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